


Grain SA's Oilseed Market Commentary

	DATE	DATE			+ - WEEK AGO		+ - MONTH AGO		+ - YEAR AGO	
	2015/10/05	2015/10/02			2015/09/28		2015/09/07		2014/10/06	
	Data	Δ	Δ%	Data	Δ%	Data	Δ%	Data	Δ%	Data
Brent (\$/b)	48.36	0.35	0.7%	48.01	0%	48.17	1%	47.84	-48%	92.64
US\$: ? ZAR	13.71	-0.182	-1.3%	13.89	-1%	13.90	-2%	13.97	22%	11.23
ΔCBOT 8vm : 12nm*	R 2 110.30	-16	-0.7%	R 2 126.08	* CBOT Dec cents / bushel + -08 : 00 today vs CBOT Corn Dec + -12 : 00 the previous day					
ΔCBOT 8vm : 12nm*	R 2 601.83	-40	-1.5%	R 2 641.56	*CBOT Dec cents / bushel + -08:00 today vs. CBOT Wheat Dec + -12 : 00 the previous day					
ΔCBOT 8vm : 12nm*	R 4 417.81	-51	-1.1%	R 4 468.97	* CBOT Nov cents / bushel + -08 : 00 today vs. CBOT Soy Nov + -12 : 00 the previous day					
Latest CBOT prices during overnight trading (Recorded between 6 a.m. to 07:00 am vs 12:00 pm the previous trading day)										
Corn Spot (Dec)	391.00	2.25	0.6%	388.75	1%	388.50	12%	349.50	3%	380.50
Wheat (Dec)	516.50	-1.00	-0.2%	517.50	1%	512.75	13%	457.75	-6%	548.75
Soybean (Nov)	877.00	1.50	0.2%	875.50	-1%	885.25	0%	877.25	-9%	960.25
Latest MTM prices (Recorded between 07:00 am - 08:00 am on the last two dates) SPOT = nearest contract month (Rands / ton)										
SORGHUM SPOT	3040	0	0.0%	3040	0%	3040	0%	3050	23%	2480
WMAZ SPOT	3159	38	1.2%	3121	1%	3137	3%	3072	64%	1931
YMAZ SPOT	2940	38	1.3%	2902	2%	2890	4%	2816	51%	1947
SOY 50 SPOT	5520	-8	-0.1%	5528	3%	5350	-1%	5575	12%	4930
SUN SPOT	6435	-35	-0.5%	6470	5%	6111	7%	6025	39%	4630
WHEAT SPOT	4090	-12	-0.3%	4102	0%	4089	-4%	4280	9%	3749
OILSEED (US\$/ton)	2015/10/01	Source: Oilworld			2015/09/24	Aug 2015		Aug 2014		
Soya-oil, Arg.	626				1%	620	-1%	633	-24%	821
Soya-pell, Arg.	342				0%	341	-5%	359	-27%	469
Soybean, Brazil	384				2%	377	-6%	410	-28%	535
USA Runner 40/50	1150				0%	1150	0%	1150	-9%	1260
Sun-oil, Arg.	765				1%	760	-3%	787	-19%	939
Sun-oil, Black Sea	755				1%	750	1%	751	-3%	776
Sunseed,Black Sea	415				1%	410	6%	393	13%	367
Rapeseed, EU cif	415				0%	413	1%	411	-3%	427
Palmk oil Mal, EU	910	11%	820	23%	739	-3%	943			
LATEST MARKET INFORMATION TO 23:00 (RSA TIME) AS OBTAINED FROM VARIOUS MARKET REPORTS										
External Market Factors: This morning the Rand has strengthened by 1.3% against the US dollar from the levels seen at midday Friday, at the time of writing the Rand traded around R13.71. A stronger Rand is not supportive of domestic grain prices.										
SOYBEAN: Domestic and International view – last week the National Crop Estimate Committee’s (CEC) final soybean production estimate came out at 1.06 million tons, which is a 2% increase from the previous estimate and 12% increase from the previous season’s crop. However, it is important to note that the area planted had increased by 37% year-on-year, which then shows that the drought had a significant impact on the soybean crop. International soybean prices have been under pressure due to the harvest process in the northern hemisphere , particularly the US, where harvest progress reached 21% complete on the 27 September 2015. Southern hemisphere – soybean planting has started in Brazil and the recent rains in the southern parts of the country seem to have aided the planting process. Outlook – the USDA will release their crop conditions report this evening. The calculated soybean parity prices were down this morning and that might, in short term provide downward pressure on domestic soybean price movements.										
SUNFLOWERSEED: Domestic and International view – the CEC’s final production estimate for RSA’s sunflowerseed production was reported at 660 900 tons, which is a 20% year-on-year decrease. This crop decrease shows the negative impact of the drought conditions and a 4% year-on-year decrease in area planted. The northern hemisphere is at the harvesting stages of the sunflowerseed crop. The Black Sea region (Russia and Ukraine) expects average to above average yields this year. On 1 October 2015, Ukrainian farmers had harvested 75% (3.7 million hectares) of the total area planted, well below the previous season’s rate of 80%. At the same time, Russia’s harvest progress was at 48% (3.23 million hectares) complete, compared to 50% the previous season. Outlook – expected dry weather conditions across the the Black Sea region might aid the harvesting process and provide bearish pressure on prices. Nevertheless, in short term, RSA sunflowerseed prices are likely to remain supported due to increasing domestic demand, which was reported at 95 643 tons in August 2015, a 19% month-on-month increase. Moreover, August 2015 domestic sunflowerseed ending stocks were reported at 356 644 tons, which is a 20% month-on-month decrease.										
CANOLA: Domestic and International view – the CEC in their second production estimate for wintergrain indicated that RSA’s canola production might reach 105 400 tons, down 6% from the previous month’s estimate. The downward revision is mainly due to a 2% month-on-month decrease in area planted estimate to 78 050 hectares and persistent dry conditions in the Western Cape Province. Europe – 2016 winter canola plantings have started and market participants expect a moderate increase in area plantings in Poland and Germany, unchanged area plantings in France and reduced area in the UK. Black Sea region – Ukraine’s 2016 canola production is expected to decrease significantly due to a decrease in area planted on the back of dry weather conditions.										
GROUNDNUTS (PEANUTS): Domestic view – the CEC’s final production estimates indicated that RSA’s 2015 groundnuts production was at 56 675 tons, 24% lower than the previous season’s crop owing to drought conditions.										
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